

FOREIGN RISK RETENTION GROUP

(Not Chartered in Michigan)

Instructions for Application for Registration

To facilitate the review of your application, please ensure that your application complies with the instructions outlined below.

All applicants are expected to be familiar with the insurance laws and regulations of Michigan relating to the registration of a risk retention group; i.e., Chapter 18 of P.A. 218 of 1956, the Michigan Insurance Code.

If you have any questions regarding the application or application process, please contact our Insurance Division **prior** to submitting your application for review. Our toll free telephone number is 1-877-999-6442.

INSTRUCTIONS

1. Print in ink or use a typewriter when completing the application documents.
2. Submit a cover letter and one copy of the application to:

Michigan Department of Consumer & Industry Services
Office of Financial and Insurance Services
Insurance Division
611 West Ottawa Street, 2nd Floor
P.O. Box 30220
Lansing, MI 48909-7720
3. Submit a check in the amount of \$25.00 made payable to the State of Michigan-Insurance. Attach the check to the Foreign Risk Retention Group Registration Fee Card, FIS 0235 (10/01) form.
4. Complete the application as described. Identify information that does not relate to your organization by the abbreviation "N/A," not applicable, and provide an explanation why it is not applicable. If space allotted is not sufficient, attach additional pages.
5. Complete a Consent to Service – Foreign Risk Retention Group, FIS 0234 (10/01) form.
6. Submit a certified copy of the applicant's articles of incorporation.
7. Submit a copy of the applicant's certificate of authority from its chartered state.
8. Submit the most recent domiciliary state examination report or qualifying examination report.

9. Submit a statement identifying any state in which the risk retention group is chartered as a liability insurance company, the date on which it was chartered, and its principle place of doing business.
10. Submit a copy of the applicant's financial statement submitted to the state in which it is chartered. The statement should be certified by an independent public accountant and contain a statement of opinion on loss and loss adjustment expense reserves made by a member of the American Academy of Actuaries or a qualified loss reserve specialist.
11. Submit a plan of operation or feasibility study which includes, but is not limited to, the following information:
 - Coverage types, coverage limits, deductibles, rates, and rating classification system for each line of business provided.
 - Historical and expected loss experience data.
 - Financial statements for three years immediately preceding the application. If in existence for less than three years, previous year's financial statements with pro forma financial statements and projections for the preceding three year period.
 - Actuarial opinion by a qualified, independent casualty actuary.
 - Management.
 - Underwriting and claims procedures.
 - Marketing methods.
 - Investment policies.
 - Reinsurance agreements.
12. Maintain an exact copy of the application to facilitate answering questions regarding the application and for reference purposes.